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Agenda item 36

THE SITUATION IN CENTRAL AMERICA: PROCEDURES FOR THE ESTABLISHMENT OF A FIRM AND LASTING PEACE AND PROGRESS IN FASHIONING A REGION OF PEACE, FREEDOM, DEMOCRACY AND DEVELOPMENT

Letter dated 8 June 1993 from the Permanent Representative of Denmark to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the text in English and French of a statement on Guatemala issued by the European Community and its member States on 7 June 1993 (see annex).

I should be grateful if you would have the text of the present letter and its annex circulated as an official document of the forty-seventh session of the General Assembly under agenda item 36.

(Signed) Bent HAAKONSEN
Ambassador
Permanent Representative of
Denmark to the United Nations

ANNEX

Statement on Guatemala issued by the European Community and its member States on 7 June 1993

The European Community and its member States welcome the return to constitutional order in Guatemala through legal and peaceful means.

They express their support to the new constitutional President, Mr. Ramiro de León Carpio, and believe that his appointment will contribute to achieving the necessary respect for the democratic institutions which are essential to a successful conclusion of the peace process and the full observance of human rights and fundamental freedoms.

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Agenda items 103, 104, 111 and 124

REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

PROGRAMME BUDGET FOR THE BIENNIUM 1992-1993

SCALE OF ASSESSMENTS FOR THE APPORTIONMENT OF THE EXPENSES OF THE UNITED NATIONS

ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS

Letter dated 9 June 1993 from the Permanent Representative of Singapore to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith a paper (see annex) containing the comments of the Permanent Mission of the Republic of Singapore to the United Nations on the report of the Independent Advisory Group on United Nations Financing, sponsored by the Ford Foundation, under the co-chairmanship of Mr. Shijuro Ogata and Mr. Paul Volcker, copies of which you had conveyed to the Minister for Foreign Affairs and the Minister for Finance of the Republic of Singapore through your letter dated 16 March 1993.

I should be grateful if you could arrange to have the text of the present letter and its annex circulated as a document of the forty-seventh session of the General Assembly under agenda items 103, 104, 111 and 124.

(Signed) CHEW Tai Soo

ANNEX

Comments of the Permanent Mission of the Republic of Singapore to the United Nations on the report of the Independent Advisory Group on United Nations Financing entitled "Financing an Effective United Nations"

The Permanent Mission of Singapore agrees with the Independent Advisory Group (IAG) that the financial crisis of the United Nations should be resolved if the Organization is to function effectively. The Ford Foundation report rightly points out that "All countries must pay their assessed United Nations dues on time and in full" and that "This responsibility is particularly great for the large contributors". In this context, we feel that the permanent members of the Security Council should set an example and make a special effort to pay their assessed contributions in time and in full.

Some Member States claim that they have difficulties in paying their assessed contributions on time and in full. It is difficult to accept this argument. When one examines table V of the report, entitled "Ratio of military expenditures to peace-keeping assessment, selected States, 1991", one would realize that the assessed contributions of several countries to the regular and peace-keeping budgets of the United Nations paled in comparison to their national defence costs. According to the report, "The startling fact is that the sum of United Nations regular budget and peace-keeping costs for 1992, an especially active year, was less than the cost of two Stealth bombers, or the combined cost of operating New York City's Fire and Police departments" and that "on average, the nations of the world invest only $1.40 in peace-keeping for every $1,000 they devote to their own armed forces".

Member States which pay their contributions in full and on time should not be penalized. Therefore, the recommendation of IAG that interest be charged on late payments and deposited into the Working Capital Fund merits serious consideration.

IAG has also made other recommendations to change the methodology used in assessing contributions of Member States. The Singapore Mission is of the view that the recommendations do not address some root causes of the problems created by the current methodology. We believe that the assessment formula should be completely re-examined to make the criteria more transparent and realistic. The present methodology is cumbersome and complicated. It suffers from several distortions resulting from the application of the various limits. To simplify the whole process, we should do away with the application of all these various limits and concentrate on one or two simple and transparent criteria. For example, a country's scale of assessments should be based on its total national income. It is absurd that several countries with huge defence budgets are given enormous relief and pay minimal sums to the United Nations. If they can afford to pay for the instruments of war, they should also be able to pay for the institutions of peace. Most organizations also have a linkage between privilege and responsibility. Those countries which play a key role in the selection of key United Nations official should be prepared to bear financial responsibilities commensurate with this principle. However, we also believe firmly that relief should be provided to the least developed countries (LDCs).

The United Nations should also use new measures of national income such as those outlined in the recent study by the International Monetary Fund entitled World Economic Outlook (May/June 1993 issue) to assess a country's ability to pay its assessed contribution. The United Nations should no longer rely on traditional measures of national income, which often underestimate the economies of many countries.

The various recommendations in the Ford Foundation report pertaining to the financing of peace-keeping operations should also be re-examined in the light of the above considerations. Per capita national income should not be the sole criterion for determining which countries should be placed in the B Group of developed nations, as recommended in the report. A more equitable approach would be to use total national income. Countries with total national incomes and national defence budgets above certain benchmark figures should be placed in Group B. This would ensure that there is symmetry between the contributions made towards expenditure on war and expenditure on peace. Any effort to delink these two criteria would be manifestly unjust as it would reward those who have been fiscally irresponsible by spending huge sums on defence expenditure at the expense of economic development. The United Nations would send precisely the wrong signal to the international community by rewarding these nations by reducing their assessed contributions to the regular and peace-keeping budgets of the United Nations.